

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI

IN RE:  
GRAND SOLEIL - NATCHEZ, LLC

CHAPTER 7  
CASE # 11-01632NPO  
INVOLUNTARY

ANSWER OF ALLEGED DEBTOR

COMES NOW, Grand Soleil - Natchez, LLC, the alleged debtor, in the above referenced Chapter 7 involuntary case, by and through Counsel, and files this its Answer to the Petition filed against it by Good Hope Construction, LLC (Dkt #1), and in response shows unto the Court the following:

1.

The alleged debtor denies that its ongoing operational debts are not being paid as they mature.

2.

Grand Soleil - Natchez, LLC has been operating under a forbearance agreement with one of its secured creditors, United Mississippi Bank, and all sums due under the forbearance agreement are current, with the exception of the note on "The Briars".

3.

Grand Soleil - Natchez, LLC is also current with its other major secured lender, FIRST NATIONAL BANK, as shown on Exhibit "A", attached hereto and made a part hereof.

4.

The alleged debtor is paying all of its current utilities in a timely fashion.

5.

The alleged debtor is paying all of its current insurance and sales taxes as they become due.

6.

The alleged debtor is meeting all payroll obligations in a timely fashion.

7.

The alleged debtor is paying all of its current suppliers, vendors and purveyors as they become due.

8.

There are certain debts, subject to genuine disputes and bona fide set-offs, which are not being paid at the present time. These disputed claims include the claims Good Hope Construction, LLC and Farmer Electrical Service Company.

9.

The involuntary petition filed against Grand Soleil - Natchez, LLC, is merely an attempt for collection, and there exists no apparent legitimate reason for the filing of the involuntary at this juncture, and there exists an adequate forum in which to resolve this dispute in a much more effective and efficient manner.

10.

The continuation of this involuntary will result in further burden and expense on both parties and will not contribute to an efficient or effective administration of the dispute.

11.

The continuation of this involuntary may result in irreparable harm to Grand Soleil-Natchez, LLC, which is involved in an ongoing loan application process.

12.

While Good Hope Construction, LLC and Farmer Electrical Service Company deserve to be paid the amount of any just and legitimate claim, there is no basis whatsoever for the imposition of bankruptcy jurisdiction into this dispute, which is genuinely a two-party dispute.

13.

Good Hope Construction, LLC and Farmer Electrical Service Company should be required to post bond in accordance with Section 303(e) for all costs and damages and, under Section 303(i), for assessment of costs and damages under any applicable provisions of the Bankruptcy Code or Bankruptcy Rules.

WHEREFORE, PREMISES CONSIDERED, Grand Soleil - Natchez, LLC, prays that the Petition for Involuntary Bankruptcy, filed herein, be dismissed with prejudice.

Dated: June 16, 2011.

Respectfully submitted,

/s/ L. JACKSON LAZARUS  
R. KENT HUDSON  
Attorneys for Grand Soleil - Natchez, LLC

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CERTIFICATE OF SERVICE

I, R. Kent Hudson, attorney for Grand Soleil - Natchez, do hereby certify that I have this day caused to be mailed, via United States Mail, postage prepaid, a true and correct copy of the above and foregoing Notice of Appearance of Counsel to:

Henry G. Hobbs, Jr  
United States Trustee  
[USTPRegion05.JA.ECF@usdoj.gov](mailto:USTPRegion05.JA.ECF@usdoj.gov)  
Jackson, MS 39269

Jim F. Spencer  
Attorney for Petitioning Creditor  
[jspencer@watkinseager.com](mailto:jspencer@watkinseager.com)

This the 16<sup>th</sup> day of June, 2011.

/s/ L. Jackson Lazarus